

## ROUTING AND TRANSMITTAL SLIP

16 OCT 1986

TO: (Name, office symbol, room number,  
building, Agency/Post)

Initials Date

1. DIRECTOR OF PERSONNEL

Action	File	Note and Return
Approval	For Clearance	Per Conversation
As Requested	For Correction	Prepare Reply
Circulate	For Your Information	See Me
Comment	Investigate	Signature
Coordination	Justify	

## REMARKS

#1 - ACTION

PLEASE PREPARE A RESPONSE FOR THE DDA'S

SIGNATURE.

SUSPENSE: 19 NOVEMBER 1986

DO NOT use this form as a RECORD of approvals, concurrences, disposals,  
clearances, and similar actions

FROM: (Name, org. symbol, Agency/Post)

Room No.—Bldg.

EXA/DI

Phone No.

5041-102

• U.S.G.P.O.: 1983-421-529/320

OPTIONAL FORM 41 (Rev. 7-76)  
Prescribed by GSA  
FPMR (41 CFR) 101-11.206

## ROUTING SLIP

TO:

		ACTION	INFO	DATE	INITIAL
1	DCI				
2	DDCI		X		
3	EXDIR				
4	D/ICS				
5	DDI				
6	DDA	X			
7	DDO				
8	DDS&T				
9	Chm/NIC				
10	GC				
11	IG				
12	Compt				
13	D/OLL				
14	D/PAO				
15	D/PERS		X		
16	VC/NIC				
17	D-Exec Staff		X		
18					
19					
20					
21					
22					

SUSPENSE

Date

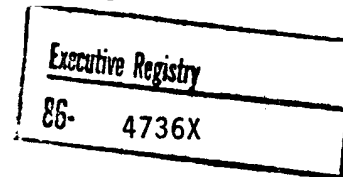
Remarks To # 6: For review and response as  
requested in Para 3, if applicable.Executive Secretary  
15 Oct 86

Date

3637 (10-81)

**U.S. Department of Labor**

Assistant Secretary for  
Employment and Training  
Washington, D.C. 20210



OCT 6 1986

**MEMORANDUM FOR:** ALL FEDERAL AGENCY ASSISTANT SECRETARIES  
FOR ADMINISTRATION AND MANAGEMENT

**FROM:** ROGER D. SEMERAD  
Assistant Secretary of Labor

**SUBJECT:** Procedures for the Unemployment Compensation  
for Federal Employees (UCFE) Program

A recent investigation conducted by the Department of Labor's Office of Inspector General and a study by the General Accounting Office have identified some deficiencies in the Federal agencies' administration of the Unemployment Compensation for Federal Employees (UCFE) program.

The three main problem areas cited were Federal agencies not providing State agencies with timely and complete wage and separation information; not filing appeals and attending hearings when a case warrants; and not explaining to separating employees the importance of bringing the SF-8, Notice to Employee About Unemployment Insurance, to the local office when filing a claim for UCFE. The attachment identifies those procedures which if reemphasized will minimize improper payments of UCFE benefits. Also included are two new procedures which will address the inclusion of a contact person/organizational unit and telephone number on the SF-8 and a requirement to advise all newly hired and rehired employees to notify the appropriate State agency of their employment. In addition, several proposed procedures are outlined for your consideration.

It is requested that you review existing procedures to assure they are being followed and that the new procedures are promptly implemented. I would also appreciate your reviewing the proposed new procedures for improving the administration of the UCFE program and providing me with your written comments, Attention: Carolyn M. Golding, Director, Unemployment Insurance Service, 601 D Street, N.W., Washington, D.C. 20213 on or before November 21, 1986.

If you have any questions concerning this memorandum, please contact ETA, UIS, Millie Enten on 376-7370.

Attachment

Attachment

UCFE PROCEDURES

- I. The following are existing procedures which require additional emphasis.

- A. Timely and Complete Information

One of the greatest problems in the UCFE program is that Federal agencies are not providing State Employment Security Agencies (SESAs) with timely and complete wage and separation information on Forms ES-931, Request for Wage and Separation Information. Federal regulations require that this information be provided to SESAs within 4 workdays from the day the Federal agency receives the request.

When a Federal agency returns the Form ES-931, it is important that it be timely, and that the reason for separation be complete. If all of the factual information is not provided, or if the information is not provided on a timely basis, SESAs cannot make a proper determination of eligibility. In the absence of complete and timely wage and separation information from the Federal agency, the SESA will question the claimant as to his/her reasons for separation. Claimants rarely provide a reason for separation which would be detrimental to the receipt of UCFE benefits.

In many instances the result of untimeliness or incompleteness is that SESAs are paying claimants UCFE benefits to which they may not have been entitled. In these instances, your agency is charged for all UCFE benefits paid.

If, at a later date, complete information is provided and based on the information, it is determined that the claimant should not have been paid benefits under State law, the SESAs will set up an overpayment. However, until or unless this overpayment is collected, your agency will be billed and liable to pay the amount overpaid. Experience shows that UCFE overpayments are only recovered at a rate of approximately 56% for fraudulent claims and 49% for nonfraud claims.

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the responsibility of explaining the purpose of the SF-8 to the separating employee and instructing him/her to take the SF-8 to the local offices if he/she files a UCFE claim for unemployment benefits -- it will help expedite the claim. The top line on the SF-8 should contain the parent Federal agency name, followed by the assigned 3-digit agency code number, then any component name and the address to which all forms pertaining to a claim are to be sent.

II. The following are new requirements.

A. Contact Person/Organizational Unit on Forms SF-8

The purpose of this requirement is to provide SESAs with the name (typed or printed) and telephone number of a contact person/organizational unit within your agency who can readily respond to questions pertaining to a specific UCFE claim. The same information should also be provided on all Forms ES-931 in the box provided for the signature of the Federal agency staff member who completed the wage and separation information on the Form ES-931. This will greatly assist the SESAs for follow-up purposes and reduce the time it takes for processing the claim.

B. Statement to All Newly Hired and Rehired Employees

Newly hired and rehired employees who may be receiving or may have applied for unemployment insurance benefits should be made aware of their responsibility to notify the State agency of their employment.

Personnel offices, therefore, shall provide to each newly hired and rehired employee, the following statements:

"If you have applied for or been receiving Unemployment Insurance benefit payments, it is your responsibility, under penalty of law, to notify the appropriate local office, in writing, to discontinue the issuance of Unemployment Insurance checks now that you are employed. Failure to notify the State agency can result in a penalty such as a fine, imprisonment, or both."

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the individual was not qualified for unemployment compensation. Most frequently this is because the payroll office, to which the State's request for information is currently sent, does not have, cannot obtain quickly enough, or does not try to obtain specific information as to why the employee separated. Unless the State agency receives information to support a denial of the claim, it has no alternative but to decide in favor of the claimant.

In an effort to minimize these improper payments, and thereby cut program costs to the last employing Federal agency, U.S. Department of Labor and the Office of Personnel Management (OPM) are considering the following changes in the way certain separation information is documented and reported to State agencies.

1. Documentation of the Separation by the Agency:

- a. On each SF-52, Request for Personnel Action (or OPM-approved exception thereto), that requests separation by resignation or retirement, the requesting employee's supervisor will add a remark to the form when he/she believes that the specific reason for the individual's action could be important enough to affect the decision on whether to grant unemployment compensation. For example, information that the resignation or retirement occurred after the agency had given written notice of intent to take an adverse or performance-based action against the employee, could affect the State's decision.

The remark to be added is:

"I have additional information regarding this action."

When the supervisor has no such relevant information, he/she will add the following remark:

"I have no additional information regarding this action."

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for providing the earnings and leave data as well as any supervisor statement retained by the personnel office.

- b. Upon receipt of the ES-931, the payroll/personnel office will immediately complete item 3 pertaining to Federal service and wages and return one copy of the form to the State agency within 4 working days. Where appropriate, one copy of the form should be dated and placed with the supervisor's statement to account for the disclosure as required by the Privacy Act.
  - (1) In addition to any supervisor's statement and payroll data, the payroll/personnel office will attach a copy of the latest SF-50 or SF-52; in the latter case, all explanatory remarks required by subchapters 30 and 31 of FPM Supplement 296-33 will be written out in full, e.g., "No other work available", "RIF notice dated (date)." "Entitled to (\$\_\_\_\_\_) severance pay..."
  - (2) In cases where the separation is by discharge, termination, or removal, copies of any proposal and decision letters will be attached.

"OPM will publish instructions regarding documentation by supervisors of information that might affect an unemployment compensation decision and will publish instructions for establishing files for supervisors' statements." The Department of Labor will make the necessary changes to the SF-8 when it is next reprinted.

We realize that these procedures will add to the workload of the servicing personnel office by shifting to it the burden of keeping the supervisor's statement and of providing the information to adjudicate UCFE claims, but we feel the shift in responsibility is justified in terms of savings to agencies if information provided by the personnel office prevents unwarranted payments. If it is decided to implement these changes after review of your comments, we expect to issue more